

## Motor City Electric Co.

9440 Grinnell Detroit, MI 48213-1151 TEL: (313) 921-5300 FAX: (313) 921-5310 www.mceco.com

February 9, 2009

Motor City Electric Co. is glad to have the opportunity to support the legislation which will require projects receiving tax breaks and abatements and other incentives to hire Michigan residents.

Motor City Electric Co. is currently rated the 14<sup>th</sup> largest electrical contractor in the country in the Oct 2007 edition of the Engineering News Record Magazine (ENR). We have been around for over 50 years and have experienced the changes in Michigan's economy during that half century. MCE is dedicated to both the State of Michigan and further to the City of Detroit, which is our namesake.

In 2007 alone we paid Michigan employees over \$50 Million in compensation and submitted to the state over \$2 Million in withholding taxes as well as submitting over \$300,000 in city withholding taxes to Detroit and a few other cities throughout Michigan. In addition we contributed over \$8 Million to pension funds for plans under collective bargaining agreements. We generate thousands of W2's to Michigan workers every year.

It only seems logical that if Michigan is going to recover from the current economic situation that the State must dedicate itself to mandating that Michigan residents and Michigan based employers are given due consideration on projects that are brought about through tax incentives. Our corporate taxes help fund these tax incentives so we should be allowed an opportunity to reap what we have helped sew. We paid over \$1 Million in Single Business Tax in 2007 and all estimates point to the fact that the new Michigan Business Tax which is replacing the SBT will actually INCREASE our tax burden each year, not reduce it. In addition, we pay over \$250,000 in real and personal property taxes each year to various cities and counties, primarily to Detroit. We take our tax obligations very seriously and we believe our contributions to the state and local funds should count for something.

We are confident that we are not alone in this sentiment. Businesses that were begun in Michigan and have stayed in Michigan that hire employees that were born in Michigan and raised in Michigan, deserve a chance at helping to keep money IN Michigan for the continued benefit of its residents.

Sincerely.

Patrick Mitchell Controller

Motor City Electric Co.